

EXHIBIT F INSURANCE REQUIREMENTS

I. INSURANCE REQUIREMENTS

All insurance coverage provided for the benefit of, or evidenced to the Service is not to be impaired by any act of the Concessioner, its agents, servants, or employees. The Concessioner will ensure that its insurance carriers provide that the Service, solely for its benefit, ***an unconditional 30 day advance*** notice of cancellation, non-renewal, or material change in coverage or policy terms for all coverage issues.

The amounts of insurance, limits of liability and coverage terms indicated ***are not intended as a limitation*** of the Concessioner's responsibility or liability under the CONTRACT, but rather an indication as to the minimum type(s), amount(s), and scope of insurance that the Service considers necessary to allow the operation of the concession at its park. Nevertheless, if the Concessioner purchases insurance in addition to the limits illustrated herein, the Service will receive the benefit of the additional amounts of insurance without additional cost to the Service.

II. LIABILITY INSURANCE

The Concessioner will maintain the following minimum Liability Coverages all of which, unless noted herein, are to be written on an occurrence form of coverage.

A) **Commercial General Liability Insurance**

- 1) Coverage will be provided for bodily injury, property damage, contractual liability, personal or advertising injury liability (including contractual liability arising out of personal injury and advertising injury liability) and products/completed operations liability insurance protection. The following minimum limits of liability to be provided:

Bodily Injury and Property Damage Limit

(1) General Aggregate	\$4,000,000
(2) Products & Completed Operations Aggregate	\$4,000,000
(3) Per Occurrence	\$2,000,000
(4) Personal Injury & Advertising Injury Liability	\$2,000,000
(5) Medical Payments	\$5,000 per person
(6) Fire Legal Liability	\$50,000 per fire (automatic-no additional charge)

2) The liability coverages may not contain the following exclusions/limitations:

- (a) Athletic or Sports Participation
 - (b) Products/Completed Operations
 - (c) Personal Injury or Advertising Injury exclusion or limitation
 - (d) Contractual Liability limitation (must specifically reference the National Park Service contract number)
 - (e) Explosion, Collapse and Underground Property Damage exclusion
 - (f) Watercraft limitations affecting the use of watercraft in the course of the concessioner's operations (unless separate Watercraft coverage is maintained)
- 3) Pollution liability insurance coverage must be included for damages resulting from smoke, fumes, vapor, or soot, or other contaminants from a hostile fire.
- 4) If the policy insures more than one location, the General Aggregate limit must be amended to apply separately to each location.

B) Automobile Liability Insurance, including Garage Operations

Coverage will be provided for bodily injury or property damage arising out of the ownership, maintenance or use of "any auto," Symbol 1. (Where there are no owned autos, coverage will be provided for "hired" and "non-owned" autos, Symbols 8 & 9, must be maintained), including garage operations for products and completed operations. Garagekeepers' liability is to be included on a "direct" basis.

Combined Single Limit Each Accident Limit: \$3,000,000

C) Liquor Liability

Coverage will be provided for bodily injury or property damage including damages for care, loss of services, or loss of support arising out of the selling, serving, or furnishing of any alcoholic beverage.

Each Common Cause Limit \$1,000,000

Aggregate Limit \$3,000,000

D) Watercraft Liability (or Protection & Indemnity) (NOT applicable)

Coverage will be provided for bodily injury or property damage arising out of the use of any watercraft.

E) Aircraft Liability (NOT applicable)

Coverage will be provided for bodily injury or property damage arising out of the use of any aircraft.

Each Person Limit (if applicable)

Property Damage Limit (if applicable)

Each Accident Limit (if applicable)

F) Excess Liability or Excess “Umbrella” Liability (Optional, NOT required)

This coverage is not required, but may be used to supplement any of the above Liability coverage policies in order to arrive at the required minimum limit of liability. If maintained, coverage will be provided for bodily injury, property damage, personal or advertising injury liability in excess of scheduled underlying insurance. In addition, coverage must be at least as broad as that provided by underlying insurance policies and the limits of underlying insurance must be sufficient to prevent any gap between such minimum limits and the attachment point of the coverage afforded under the Excess Liability or Excess “Umbrella” Liability policy.

G) Environmental Impairment Liability

Coverage will be provided for bodily injury, personal injury or property damage arising out of pollutants or contaminants (on site and/off site).

Each Occurrence or Each Claim Limit	\$1,000,000
Aggregate Limit	\$3,000,000

H) Special Provisions for Use of Aggregate Policies

If at any time the aggregate limit of any required policy is (or if it appears that it will be) reduced or exhausted, the Concessioner may be required to reinstate such limit or purchase additional coverage limits. The General Aggregate under the Commercial General Liability policy must apply on a “per location” basis. The Certificate of Insurance required herein will note compliance with this aggregate provision.

I) Self-Insured Retentions

Coverage will comply with the statutory requirements of the state(s) which the Concessioner operates. The limit for employers’ liability insurance must be at least \$100,000 per insuring agreement.

J) Workers Compensation & Employers' Liability

Coverage will comply with the statutory requirements of the state(s) in which the Concessioner operates. The states of concession operations must be specifically included for coverage under the policy.

III. PROPERTY INSURANCE

A) Building(s) and/or Contents Coverage

- 1) Amount of Insurance (Building) 100% of replacement value (without deduction for physical depreciation) as listed in Exhibit C.
- 2) Amount of Insurance (Contents) 100% of replacement value (without deduction for physical depreciation)
- 3) Amount of Insurance (Inventory) 100% of replacement value (without deduction for physical depreciation)
- 4) Insurance will cover buildings, structures, improvements and betterments and/or contents for all Concession Facilities, as more specifically described in Exhibit C of this CONTRACT.
- 5) Coverage will apply on an “All Risks” or “Special Coverage” basis.
- 6) The policy will provide for loss recovery on a replacement value (without deduction for physical depreciation) basis.
- 7) Blanket coverage should be encouraged for real and personal property.
- 8) The coinsurance provision, if any, will be waived or suspended by an Agreed Amount or Agreed Value clause.
- 9) The Vacancy and unoccupancy restriction, if any, must be eliminated for property that will be vacant or unoccupied beyond any time period specified in the policy.
- 10) Flood Coverage will be maintained at the maximum limit available not to exceed 100% replacement value (without deduction for physical depreciation).
- 11) Earthquake Coverage will be maintained at the maximum limit available not to exceed 100% replacement value (without deduction for physical depreciation).
- 12) Ordinance or Law, demolition and increased cost of construction Coverage will be maintained with a limit of not less than the building replacement value (without deduction for physical depreciation) listed in Exhibit C.

B) Boiler & Machinery Coverage

- 1) Insurance will apply on the “comprehensive” basis of coverage including all objects within the Concession Facilities. Production equipment is to be included if applicable.
- 2) The policy will provide for loss recovery on a replacement value (without deduction for physical depreciation) basis.
- 3) The amount of insurance must represent no less than 100% of the replacement value (without deduction for physical depreciation) of the sum total of all insured property.

- 4) The coinsurance provision, if any, must be waived or suspended by an Agreed Amount or Agreed Value clause.
- 5) Coverage is to be provided on a blanket basis.
- 6) If insurance is written with a different insurer than the Building(s) and Contents insurance, both the Property and Boiler insurance policies must be endorsed with a joint loss agreement.
- 7) Ordinance or Law, demolition and increased cost of construction Coverage must be maintained with a limit of not less than the building replacement costs listed in Exhibit C.

C) Builders Risk Coverage (Only required for new construction or major renovations)

- 1) Insurance is required for all new construction or major renovations of existing buildings at the concession facilities and continue in force until the property is accepted by the Service. The coverage must include property that has or will become a part of the project while such property is at the project site, at temporary off-site storage and while in transit. Coverage also applies to temporary structures such as scaffolding and construction forms.
- 2) Coverage applies on an "All Risk of loss" or "Special Coverage" basis.
- 3) The policy will provide for loss recovery on a replacement value (without deduction for physical depreciation) basis.
- 4) Coverage must be arranged using the "completed value" alternative.
- 5) The amount of insurance must represent no less than 100% of the replacement value (without deduction for physical depreciation) of the insured property.
- 6) The coinsurance provision, if any, must be waived or suspended by an Agreed Amount or Agreed Value clause.
- 7) Any occupancy restriction must be eliminated.
- 8) Any collapse exclusion must be eliminated.
- 9) Any exclusion for loss caused by faulty workmanship must be eliminated.
- 10) Flood Coverage must be maintained at the maximum limit available not to exceed the replacement value (without deduction for physical depreciation).
- 11) Earthquake Coverage must be maintained at the maximum limit available not to exceed the replacement value (without deduction for physical depreciation).

D) Business Interruption and/or Expense

- 1) Business Interruption insurance and extra expense insurance must cover the loss of income and continuation of fixed expenses in the event of damage to or loss of Concession Facilities or any property supporting the Concession operations, including, without limitation and with respect to the interests of the Service, the loss (or reduction) of franchise fee payments to the Service by the Concessioner. Extra Expense insurance will cover the extra expenses above normal operating expenses to continue operations in the

event of damage or loss to covered property. The coverage to be provided can be calculated as follows:

Anticipated annual Gross revenue from operations	\$_____
Less non-continuing expenses	(\$_____)
Business Interruption limit	\$_____
Business Interruption limit	\$_____

E) Deductibles

Property Insurance coverages described above may be subject to deductibles as follows:

- 1) Direct Damage deductibles must not exceed the lesser of 10% of the amount of insurance or \$25,000 (except Flood & Earthquake coverage may be subject to deductibles not exceeding \$50,000).
- 2) Extra Expense deductibles (when coverage is not combined with Business Interruption) shall not exceed \$25,000.

F) Required Clauses

1) Loss Payable Clause:

A loss payable clause similar to the following must be added to Buildings and/or Contents, Boiler and Machinery, and Builders Risk policies:

“In accordance with Concession Contract No. CC-ZION003-09 dated _____, between the United States of America and [*the Concessioner*] payment of insurance proceeds resulting from damage or loss of structures insured under this policy is to be disbursed directly to the Concessioner without requiring endorsement by the United States of America.”

IV. CONSTRUCTION PROJECT INSURANCE

Concessioners entering into contracts with outside contractors for various construction projects, including major renovation projects, rehabilitation projects, additions or new buildings/facilities must ensure that all contractors retained for such work maintain an insurance program that adequately covers the construction project.

The insurance maintained by the construction and construction-related contractors must comply with the insurance requirements stated herein (for Commercial General Liability, Automobile Liability, Workers' Compensation and, if professional services are involved, Professional Liability). Except for the workers' compensation insurance coverage, the interests of the Concessioner and the United States must be covered in the same fashion as required in the other provision of this exhibit. The amounts/limits of the required coverages must be determined in consultation with the Director taking into consideration the scope and size of the project.

V. INSURANCE COMPANY MINIMUM STANDARDS

All insurance companies providing the above described insurance coverages must meet the minimum standards set forth below:

- 1) All insurers for all coverages must be rated no lower than A- by the most recent edition of Best's Key Rating Guide (Property-Casualty edition).
- 2) All insurers for all coverages must have a Best's Financial Size Category of at least VII according to the most recent edition of A.M. Best's Key Rating Guide (Property-Casualty edition).
- 3) All insurers must be admitted (licensed) or approved to do business in the state(s) in which the concession operation(s) is (are) located.

VI. CERTIFICATES OF INSURANCE

All certificates of Insurance required by this CONTRACT must provide sufficient detail to allow easy identification of the coverages, limits, and coverage amendments described above. In addition, the insurance companies must be accurately listed along with their A.M. Best Identification Number ("AMB#"). The name, address and telephone number of the issuing insurance agent or broker must be clearly shown on the Certificate of Insurance as well.

Due to the space limitations of most standard certificates of insurance, it is expected that an addendum will be attached to the appropriate certificate(s) in order to provide the space needed to show the required information.

In addition to providing certificates of insurance, the Concessioner, upon written request of the Director, will provide the Director with a complete copy of any of the insurance policies (or endorsements thereto) required herein.

The Certificate of Insurance will contain a notation that the insurance coverage represented therein complies with the provisions of this agreement as outlined in this Exhibit F.

The **notice of cancellation provision** of the certificate must delete any and all qualifying language such as: *"We will endeavor to provide"* or *"failure to provide said notice will not place any liability upon the company or its representative."*

VI. STATUTORY LIMITS

In the event that a statutorily required limit exceeds a limit required herein, the higher statutorily required limit will be the minimum amount to be maintained. In the event that the statutorily required limit is less than the limits required herein, the limits required herein shall control.